VZCZCXRO2908 OO RUEHLH RUEHPW DE RUEHIL #1719/01 1220652 ZNY CCCCC ZZH O 010652Z MAY 08 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHDC IMMEDIATE 6749 INFO RUEHAK/AMEMBASSY ANKARA PRIORITY 4204 RUEHBJ/AMEMBASSY BEIJING PRIORITY 4962 RUEHBUL/AMEMBASSY KABUL PRIORITY 8510 RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 0742 RUEHLO/AMEMBASSY LONDON PRIORITY 7811 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3192 RUEHKP/AMCONSUL KARACHI PRIORITY 9645 RUEHLH/AMCONSUL LAHORE PRIORITY 5394 RUEHPW/AMCONSUL PESHAWAR PRIORITY 4131 RUEHBS/USEU BRUSSELS PRIORITY RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RUEAIIA/CIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 04 ISLAMABAD 001719

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TAGS: \underline{PGOV} \underline{PK} \underline{PREL} \underline{PTER} \underline{AF} \underline{CH} \underline{EAID} \underline{IN} \underline{MY} \underline{EU} SUBJECT: INTERNATIONAL LEADERS FLOCK TO ISLAMABAD

REF: A. ISLAMABAD 1699

1B. ISLAMABAD 1684

Classified By: Anne W. Patterson, Reasons 1.4 (b), (d)

11. (C) Summary: In the past few weeks, international leaders have been streaming into Pakistan to meet the newly elected government. They included UK Foreign Secretary Miliband, the Chinese FM Jiechi, Turkish FM Babacan, EU Foreign Policy Chief Solana, Afghanistan FM Spatna, Malaysian FM Yatim, Indian Oil Minister Murli Deora and Iranian President Ahmadinijad. Indian External Affairs Minister Parnab Mukherjee is due in Islamabad on May 21 to conclude the 4th Round of the Indo-Pak Composite Dialogue. End summary.

UK's Miliband

- 12. (C) UK Foreign Secretary David Miliband visited April 20-22. According to the UK Embassy, Miliband found Musharraf to be disengaged from politics and PM Gillani overwhelmed by his new duties. The UK was impressed by FM Qureshi's grasp of his portfolio so far. The most interesting event was a dinner with both Pakistan People's Party (PPP) Co-Chair Asif Zardari and Pakistan Muslim League-N leader Nawaz Sharif. Sharif reportedly was reluctant to go to the UK residence but changed his mind when told Zardari had already accepted the invitation. Atmospherics between Zardari and Nawaz were reportedly good, except on the issue of restoring the deposed judiciary, where there was noticeable tension. Miliband also met in Peshawar with a wide range of officials, including Governor Ghani (who focused on military strategy) and Awami National Party leader Asfundyar Wali Khan.
- 13. (C) Despite some headlines indicating the UK supported negotiations with the Taliban, Miliband stuck to a counter-terrorism position close to that of the USG--the need for a multi-pronged political/developmental/security approach and reconciliation with those who are willing to be reconciled. He stressed: "Reconciliation does not mean creating a safe space for terrorists. Reconciliation means dividing those ideologically committed to waging war...from those who are able to play by the constitutional rules..." Privately, the UK Embassy reported that Miliband warned Asfundyar reconciliation that merely pushed terrorists back across the Afghan border was not helpful; neither Pakistan

nor Afghanistan could afford to continue this game of
"ping-pong."

¶4. (C) The GOP asked the UK for increased assistance on education, health and police training. The UK is exploring ways to help improve the distribution of food to eliminate waste and mismanagement. Miliband raised UK opposition to releasing A.Q. Khan; Miliband's sense was that Nawaz wanted to improve Khan's situation in some way. Miliband also urged the GOP to agree to begin negotiations on the Fissile Material Cutoff Treaty; like us, they were rebuffed.

Pak/China Visits

- 15. (C) MFA China Director Arshad Jan Pathan, who accompanied President Musharraf on his April 10-15 trip to China, described the visit as relatively low key. Musharraf signed 8-10 agreements focused on education, sports and cultural exchanges, and renewed pledges to increase bilateral trade from \$6.5 billion to \$15 billion by 2010. Musharraf asked the Chinese to begin work on a feasibility study for rail links from the border down to the Chinese-built port of Gwadar on the Arabian Sea, and there was discussion of expanding fiber optic links as well. Overall, Pathan said China provides project assistance only, not cash. The usual formula is for Pakistan to provide a feasibility study; the Chinese respond with a project implemented by a Chinese company with Chinese labor.
- 16. (C) Pathan reported that through their Joint Economic Committee, the Chinese were engaged on several feasibility

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- studies of wind, hydro and thermal power; this was part of their joint five-year development framework agreement. He denied the Chinese were building a new power plant but said that work on the C-2 Chashma power plant would be completed next year; Pathan added, "this is not a nuclear power plant." FM Jiechi told the press April 25 that China was interested in possibly participating in the Iran-Pakistan-India pipeline project; Pathan dismissed this as speculation.
- 17. (SBU) During his visit to China, Musharraf spoke at the Boao Forum for Asia. He called for the two countries to remove trade barriers and share expertise--involving both the private and public sectors--on environmental and energy efficiency.
- 18. (C) Pathan confirmed Musharraf discussed ongoing defense cooperation, including the launch of four F22P frigates in Shanghai during his visit to China. Without providing details, Pathan said joint production of JF-17 fighter aircraft and refurbished Al Khalid tanks were also discussed.
- 19. (C) In a first-ever visit of a Pakistani President to the Xinjiang border province, Musharraf discussed expansion/upgrades to the Karakorum highway that links the two countries. Pathan denied press reports that the Chinese asked Musharraf for assistance in combating Islamic terrorism in the province.
- 110. (SBU) During his visit, Musharraf reiterated his full support for the "One China Policy," which details the return of Taiwan to the mainland and the rejection of secessionism, separatism, and terrorism. Musharraf also restated his position that Tibet is a part of China and should be handled by Beijing as an internal affair, free from foreign interference.
- 111. (C) Pathan said the topic of terrorism arose during the April 25-26 follow-on visit of Foreign Minister Yang Jiechi to Islamabad. This visit, said Pathan, was prescheduled and was not connected to Musharraf's trip. At the conclusion of the visit, Jiechi thanked Foreign Minister Qureshi for Pakistan's "valuable support" in effectively dealing with the

East Turkestan Islamic Movement and the Xinjian-based Uighur separatist movement. Pathan said the Pakistani and Chinese Ministries of Interior had held talks on terrorism and reviewed the special committee established by Islamabad to provide increased security for Chinese workers in Pakistan. Qureshi reportedly agreed to buy unspecified anti-terrorism equipment from China.

Turkey's Babacan

- 112. (SBU) Turkish Foreign Minister Ali Babacan visited April 19-22. During a meeting with Foreign Minister Qureshi, Babacan discussed defense co-production and pledged to enhance trade relations by increasing bilateral trade to \$1 billion within two years. After their meeting, both counterparts gave a press conference announcing their "complete consensus on every issue." Babacan emphasized Turkey's "solidarity" with Pakistan and their support for Pakistan on the Kashmir issue.
- 113. (SBU) Qureshi and Babacan agreed to continue strategic dialogue at the foreign minister level. The Pakistan-Turkey Joint Working Group is scheduled to meet in May and will be followed by a second Pakistan-Afghanistan-Turkey tri-partite summit, intended to reduce tension between Pakistan and Afghanistan. During his visit, Babacan also met with President Musharraf, Prime Minister Gillani, and PPP co-chair Asif Zardari.
- 114. (SBU) On April 21 the Pakistani and Turkish Air Forces began a 10-day joint military exercise called "Indus Viper." Turkey provided five F-16 aircraft and 50 airmen for the exercise.

EU's Solana

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115. (SBU) In a first-ever visit by the EU's Foreign Policy Chief, Javier Solana visited April 22. Solana promoted closer cooperation between the EU and Pakistan's new government, with emphasis on Pakistan's economic development and regional peace and stability. Solana said the EU supported reconciliation efforts with militants but emphasized the EU would not accept talks with Al Qaeda. Solana also told local press President Musharraf would retain his position until he retires. During his visit, Solana met with President Musharraf, Prime Minister Gillani, Foreign Minister Qureshi, Zardari, Sharif, and Asfundyar Wali Khan. (Note: Post increasingly is hearing reports that, following the return of civilian rule to Pakistan, EU interest in development and military assistance is growing. Our challenge will be to coordinate efforts to avoid duplicative project aid. End Note.)

Afghanistan's Spanta

- 116. (SBU) Afghan Foreign Minister Dr. Rangin Dadfar Spanta visited April 22-24. On April 23, Spanta met with FM Qureshi to discuss counterterrorism, dialogue with militants, economic cooperation, counter-narcotics, and the repatriation of Afghan refugees. The Ministers also agreed to hold the Third Regional Economic Cooperation Conference on Afghanistan.
- 117. (SBU) Spanta and Qureshi expressed mutual satisfaction with the results of the August 2007 Joint Peace Jirga and decided the process should be reinvigorated, resulting in a second Joint Peace Jirga. Qureshi promised Spanta Pakistan would soon nominate members to sit on the bilateral Jirga Board. (Note: One of the key recommendations from the August 2007 Peace Jirga was the formation of a jirga board consisting of 25 prominent members from each country to

expedite implementation of jirga recommendations and facilitate the next jirga. Afghanistan had nominated members but Pakistan had not finalized a list of members because of the domestic political situation. End Note.) During his visit, Spanta also met with President Musharraf, Prime Minister Gillani, and National Assembly Speaker Fahmida Mirza.

Malaysia's Yatim

118. (SBU) Malaysia's Foreign Minister, H.E. Dr. Rais Yatim, on April 19 discussed increasing bilateral trade and welcoming Pakistan back into the Commonwealth. (Note: Pakistan was suspended from the Commonwealth November 27 following Musharraf's declaration of a state of emergency. End Note.) Yatim told FM Qureshi that Malaysia, which is the acting chair of the Commonwealth Ministerial Action Group (CMAG), believed Pakistan had fulfilled the basic conditions for re-entry into the Commonwealth. (Note: A decision is scheduled for May 12, 2008 during the next CMAG meeting in London.)

Pipeline Talks

119. (SBU) Indian Oil Minister Murli Deora visited Islamabad April 24-25 to discuss with Pakistan Petroleum Minister Khawaja Muhammad Asif two cross-border gas pipeline projects—the Turkmenistan—Afghanistan—Pakistan—India (TAPI) gas pipeline project and the Iran—Pakistan—India (IPI) gas pipeline project. Deora will return to Pakistan in mid—May to continue negotiations on the TAPI and IPI. Meetings between the two energy ministers will be followed the same week by talks concluding the 4th Round of the Pakistan/India Composite Dialogue. (Note: Although this round of the Composite Dialogue informally ended in November 2007, India chose to delay the official conclusion until Pakistan elected its new government. End Note.) Indian Foreign Secretary Shiv Shankar Menon will travel to Islamabad on May 20 to meet with

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Pakistan's new Foreign Secretary, Salman Bashir, to review the 4th Round's progress. On May 21, the Indian External Affairs Minister Parnab Mukherjee will meet with Foreign Minister Qureshi.

120. (C) See REF A for information on the visit of the Iranian President and their talks on the same subject. PATTERSON